

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
INTERNATIONAL MERCHANDISE RETURN SERVICE AGREEMENTS  
WITH FOREIGN POSTAL OPERATORS  
NON-PUBLISHED RATES

Docket No. MC2015-68  
Docket No. CP2015-99

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 1**  
(July 21, 2015)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 1, issued on July 16, 2015. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
By its attorneys:

Anthony F. Alverno  
Chief Counsel, Global Business &  
Service Development

Caroline R. Brownlie

475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1137  
(202) 268-3010; Fax -5402  
caroline.r.brownlie@usps.gov  
July 21, 2015

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 1**

1. In its Request, the Postal Service attached a public copy of the model agreement for IMRS-FPO. Request, Attachment 5. In pertinent part, Article 3 of the model agreement states that:

“The Parties agree that this Agreement shall come into effect (1) after all such approvals have been obtained by USPS and (2) (3) after notification to [Post Name] by USPS that all required approvals have been obtained, and the date of notification shall be ‘the Effective Date,’ unless an alternative date is proposed in the USPS’s notification. . . .”

*Id.* at 2. Please explain whether the “(3)” in the above quoted text is extraneous or whether a clause is missing from the model agreement. In either case, the Postal Service should provide a revised Article 3 with its response.

**RESPONSE:**

The “(3)” in the above quoted text is extraneous. The Postal Service will file an erratum under separate cover. A corrected version of Article 3 of the Model Agreement follows.

**Article 3: Oversight and Effective Date**

The terms and pricing set forth under this Agreement require the approval from various entities that have oversight responsibilities for the USPS as set out in Article 4 below. Upon execution of this Agreement, the USPS shall seek such approval. The Parties agree that this Agreement shall come into effect (1) after all such approvals have been obtained by USPS and (2) after notification to [Post Name] by USPS that all required approvals have been obtained, and the date of notification shall be “the Effective Date,” unless an alternative date is proposed in the USPS’s notification and agreed to by [Post Name] in a return communication, in which case that alternative date shall be the Effective Date.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 1**

2. In its Request, the Postal Service states that it “anticipates that it will file updated rate ranges on an annual basis.” Request at 5. Please explain:
- a. under what circumstances, if any, the Postal Service would not file updated rate ranges on an annual basis; and
  - b. under what timetable the Postal Service anticipates filing updated rate ranges with the Commission each year.

**RESPONSE:**

- a. Although unlikely, the Postal Service anticipates that it would not file updated rate ranges in a situation where the costing inputs do not change from one year to the next.
- b. The Postal Service anticipates filing updated rate ranges with the Commission after the Postal Service becomes aware of and has sufficient time to analyze the relevant costing inputs. The first updated rate ranges will likely be filed during Quarter 1 of Fiscal Year 2016, and then around the same time each year following.